

Aligning the Expectations for University–Industry Cooperation: Experiences from the Field

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Abstract: Finland has lacked economic growth for almost two decades. Universities of applied sciences can help facilitate growth. This article examines misaligned expectations of value creation between SMEs and universities. The study focuses on LAB University of Applied Sciences in South Karelia and Päijätne Tavastia, Finland. LAB runs about 200 RDI projects annually, several of which aim to strengthen SMEs' innovation capabilities and improve cooperation that creates business opportunities. Despite extensive cooperation, UASs and SMEs often differ on what creates value. UASs tend to approach companies with solutions, while companies expect needs-led dialogue. The research asks: What should change to create more mutual value in UAS–SME relationships? Data include findings from regional RDI projects (2023–2025) and sixteen theme-based interviews with LAB staff, other stakeholders, and company representatives. The data were analyzed thematically as a qualitative case. The results suggest that companies want universities to be more customer-focused and proactive in outreach. Companies also need to communicate their needs and participation conditions more clearly in publicly funded RDI projects.

Keywords: Value Creation, Expectations, University-Industry Cooperation, Qualitative Research

1. Introduction

University–industry collaboration (UIC) has been defined as “a method of social cooperation, or a voluntary effort made by industrial entities and educational and research institutions to solve problems or issues of common interest cooperatively” (Ha and Kwon 2016, p. 2). UIC can be observed at different levels and from different perspectives. The UIC phenomenon has a multi-level nature, and the collective actions of UIC require analysis at multiple levels of innovation (Albats 2018).

There are several types of UIC (see Rossoni et al. 2023). This study focuses on the actions needed to build research, development, and innovation (RDI) cooperation between a UAS and companies. For such cooperation to emerge, something valuable must be exchanged: ideas to develop further, products, services, or combinations of these, often in return for time and money. In ideal situations, all parties involved create value for one another while also capturing value for themselves. This forms a solid basis for UIC in the context of RDI. Thinking in terms of mutual benefit supports this process (Covey, 2004). When creating new RDI cooperation, an innovator's task is “to figure out where you create the most value for the customers” (Furr & Dyer 2014, p. 54).

There is an important difference between targeting short-term single deals and building long-term customer relationships. In UIC, the latter is usually the more fruitful objective. Individuals who operate from strong intrinsic motivation rather than external rewards (Pink 2009) are also more likely to invest in long-term relationships. Even when the goal is long-term cooperation, the relationship often begins with a small project. A further challenge is the difference in time horizons: universities typically take a long-term view of research, while industry often expects shorter-term results and implementation (see Rossoni et al. 2023). In an ideal situation, universities offer expertise in new areas that help industry access cutting-edge scientific knowledge, create advanced offerings, and improve existing ones (Polese et al. 2021). In practice, however, universities often end up collaborating with partners who are simply willing to participate in collaborative research projects (Rantala, 2019).

At the beginning of cooperation, there is often little shared understanding to build on. This uncertainty can be frustrating, but it can also become a source of creativity, innovation, and new growth (Furr & Dyer 2014). Before making initial contact with a potential customer, there is a great deal of preparation that can be done. Identifying what would benefit the customer most, the key pain points, and how they could be relieved (Osterwalder et al. 2014) makes it easier to explore UIC possibilities. Entering encounters with a clear focus on the customer and the customer's situation also helps to begin with the bigger picture: the “why” before the “how” and the “what” (Sinek 2009). If there is alignment on why, it becomes easier to find solutions to the other questions. This study examines what should change in practice to create more mutual value in UAS–SME relationships.

2. Data Collection and Analysis

The study draws on three data sources. First, the public results of past projects conducted by LAB and other stakeholders together with companies during 2023–2025 formed the first dataset. Second, sixteen themed interviews with employees in key positions in the company cooperation at LAB, other stakeholder organisations, and companies formed the second dataset. Half of the interviewees were directors (C-level) from different organisations, and the other half consisted of managers and specialists working with UIC. Third, between March 2025 and February 2026, the author participated in over 50 meetings with companies to explore cooperation possibilities. Field notes from these meetings formed the third dataset.

The research question for the study was: *“What needs to be changed to bring more mutual value to relationships between UASs and SMEs?”* The objective was to identify themes that would require more detailed exploration in future studies.

The data were analysed using qualitative thematic analysis (Byrne 2022) to build an understanding of the phenomenon and to describe it as a qualitative descriptive case (Yin 2003). Theoretical sampling (Glaser 1992) guided data collection during the interview phase.

3. Results

This chapter presents the findings in four parts. It first summarises lessons from previous projects, then reports the interview findings, reflects on field notes from company meetings, and finally brings the findings together in a condensed synthesis.

3.1 Results From the Previous Projects

Findings from previous projects suggest that UIC often suffers from weak commitment among universities and other organisations that support companies. Repeated reasons included limited trust, weak mutual measures, and insufficient communication between stakeholders. One project also reported that many companies lack input–output planning for RDI actions, which reduces their willingness to invest in them. Together, these conditions create passivity in UIC.

The same project materials also suggest a clear mismatch in expectations. Companies want research-based knowledge that is easy to access, clearly presented, and practical enough to use in business development. Based on the survey results ($n = 291$), company representatives felt that cooperation with other companies, rather than with universities, would benefit them most. Because external RDI funding limits what universities can do, this expectation gap must be communicated clearly to avoid false assumptions about UIC.

Suggested solutions in previous projects included building trust through clear and continuous communication, increasing face-to-face encounters, listening more closely to customer needs, setting concrete goals, and creating a digital platform to support ecosystem development and UIC. Across several projects, one recurring idea was that universities could offer companies a practical skill set in project management: planning, goal setting, action planning, implementation, and data-driven decision-making. In other words, a more systematic approach to RDI appears to benefit many companies.

3.2 Results From the Interview Round

The theme-based interviews focused on three areas: the current state of university-industry cooperation, encounters that create value, and an ideal model for cooperation. As an additional prompt, interviewees were asked what they would change if anything was possible. Selected quotations from the interview data are presented in Tables 1–3.

Table 1: UIC: current reality, showstoppers, and ways forward.

Topic / Theme	Quotation
Snapshot of current reality	“...Cooperation would benefit a lot if everyone would be familiarized to dialogue principles...” – IR12 – “We are not familiar with public funding opportunities. You who are working at the universities should tell us what we need to do, and how much our time and money are needed for cooperation.” – IR22 – “Universities could describe their offering in a normal business language. It would help company representatives to understand what you offer.” – IR23 –

Topic / Theme	Quotation
	"We should focus more on customers and cooperate in that to better serve customers." – IR26 –
Showstoppers for cooperation	"...There is not enough will to learn and develop. Secure and conventional actions are emphasized over others... It seems that we are lacking courage to build cooperation with companies and therefore we end up developing service models etc. repeatedly." – IR11 – "Universities should not publish fancy strategies if they are not actualizing them with their actions." – IR22 – "Biggest challenge in cooperation is difference in clock rate between companies and universities. I cannot wait for two years for the results I will need in two weeks... It is not rocket science to show more passion and act more rapidly." – IR24 – "In some cases, the gap between universities' offering or way of presenting the offering, and company needs is too wide. It seems that university representatives live in a little bit different reality than companies do... In one case a university had certain equipment that company would have needed. It took several weeks to get an answer about whether the equipment could be utilized. In this case the answer was eventually no, but the company had already explored alternative solutions to their need... Procrastinating will kill cooperation possibilities very quickly." – IR22 – "It is a challenge to a university to get into discussions where mutual value is created with companies. Companies have given feedback that university representatives often use language, which is hard to understand, even when they are asked to be more practical." – IR29 –
Solutions for better alignment of value creation	"Focus should be put more to customer needs. Many companies develop products or services without real market studies. It leads to wasting resources. Universities could discuss more with companies to gain their trust and by that way understanding where the help is really needed." – IR21 – "Universities could describe their service offering at their web pages with common business language rather than with academic language. I bet companies who read the webpages would contact universities more when they would understand the offering better... University representatives could spend more time discussing with company representatives and asking their needs and will to cooperate." – IR22 – "Also, companies should be more active communicating their needs and in making prompt decisions when and in what topics they want to cooperate. Clear yes or no is fair answer and help both parties to go on or move on." – IR16 – "Communication must be upright... Sooner the facts are on the table, better it is... It is okay to hear if something is not possible when reason for that is told. It is better to honestly estimate and communicate risks and not to raise any unnecessary hope." – IR22 – "Universities should not try to capture value too soon. It is not possible. You must first patiently co-create and then capture value for both parties." – IR29 –

Most interviewees saw the current state of UIC as far from ideal. They identified room for improvement on both the university and company sides. Much of the discussion focused on differences in objectives, measures, and incentives between universities and companies, but the strongest emphasis remained on operational issues that could be improved without major policy changes. A repeated message was that universities should communicate in plain business language. Interviewees noted that misunderstandings often arise not only in meetings but also in written communication, such as university web pages. In their view, services for SMEs should be described in more practical, non-academic language.

A major showstopper for future UIC was slow responsiveness from university representatives. Interviewees described cases in which the company's needs were highly time-dependent, yet the company could not get a prompt answer on whether the university could help. When no answer arrived within a reasonable time, the company often stopped considering that university as a future partner. Importantly, the issue was not hearing "no"; it was not getting an answer at all.

Table 2: UIC: interactions that create value.

Topic / Theme	Quotation
Interaction bringing value	"You must understand situation where a company is, what kind of pain points they may have, and what kind of solutions you could offer to relief them. It is also important to recognize who makes decisions and try to figure out what kind of budget there is to solve the existing pain points... When there is a recognized need, then it is reasonable to offer solutions to it. Otherwise, both parties just waste their time." – IR23 – "Both university people and company people would benefit from being humbler. We could be more open to what our objectives are and how we could both benefit from cooperation. We have examples of compact cooperation, for example during Covid19, and we could act like that also without any existing crisis." – IR24 –

Topic / Theme	Quotation
	"In ideal situation companies make an initiative and openly describe their needs to university representatives. This would be an opening discussion where to start with... Money is not an issue when enough value is created... Good preparation for communicating value, how the cooperation will help us to develop our business, from customers viewpoint is important." – IR25 – "Preparing to meet with potential customers is very important. I will prepare myself to offer something that I already know that a potential customer would benefit from... I will start by telling why I contacted her, because it is transparent and creates trust... Creating a relationship with a potential customer first is crucial... After that I will map customer's need and summarize them with the customer." – IR27 – "If you can find a way to produce personal value for the customer, it will make it easier to build cooperation. Value for the company of course comes next, but the personal value comes first." – IR28 – "You must be able to communicate with language the companies understand. Otherwise, there is no way forward." – IR29 –

Interviewees emphasized that the exploration phase of cooperation should be straightforward and well prepared. Because time is a limited resource for all parties, each side should arrive ready for discussion. In practice, this means conducting background research in advance to understand the company's situation and potential needs based on publicly available information. The same issue also appeared from the companies' perspective: several interviewees argued that companies must be more open and clearer about their own objectives for UIC. If objectives are unclear or if the company has no goals for RDI, that should first be discussed internally and then with a potential university partner.

Interviewees also recognised a clear paradox. Companies may need long-term university partners for their RDI activities, and they understand that valid research-based results take time. At the same time, they often feel that useful results from cooperation come too slowly. This tension suggests that universities should present more concrete examples of how UIC benefits companies over time. As one interviewee put it: "It is not about who you are, but what you can do to help us to succeed."

In the final phase of the interviews, participants were asked to imagine that they could change one aspect of UIC with a magic wand. Some examples of their answers are presented in Table 3.

Table 3: Using the magic wand with UIC.

Topic / Theme	Quotation
Using a swing of a magic wand	"At Finnish scale we should decide that different areas would focus on certain topics. We need to avoid situations where every university tries to build knowledge and skills, for example defense sector. When some area focuses and becomes good enough at the national and international level, company ecosystem will follow." – IR21 – "I have a bias. I think that those who operate with public money do not always use it in an efficient way. It would help if university representatives would openly communicate how the money they have received from companies will be spend." – IR23 – "Clock rate for universities' actions must become better. Otherwise, I do not see much hope for cooperation to grow. Currently, in most cases it takes too much time to get things moving ahead... And we all must learn to speak aloud what needs development in cooperation and overall. Things do not come better if we say that everything is fine." – IR24 – "To get every employee to recognize a bigger picture and objectives of cooperation, and act based on it. For example, to explore situation and needs from companies in every encounter with them." – IR15 – "A shared platform for universities and companies to list and discuss cooperation ideas. Now and then it may be easier to read and analyze topics before starting discussions about them." – IR25 – "UIC should be organized and lead at organisational level." – IR28 – "I have been thinking should we arrange our actions in a way that those who have passion for UIC would be organized and led separately from conventional organisation. It would include setting measures and incentives, and freedom to operate." – IR29 –

The "magic wand" question served three purposes. First, it gave interviewees space to express the change they considered most important. Second, it helped identify the level at which change was seen as necessary. In other words, did interviewees locate the problem outside themselves, or did they also see possibilities for changing their own actions? Jim Collins (Collins 2010) presents this distinction as a useful perspective for analysis. Third, the question helped reveal the complexity of the problems described, including whether they resembled tame or wicked problems (Roberts 2014). In most cases, the issues raised could have been addressed without a magic wand.

3.3 Reflections on Field Notes from Company Meetings

3.3.1 Common Denominators of Successful Appointments

The field notes complement the interview data by showing how similar tensions appear in real company meetings. The most promising cooperation partners were companies that already understood that they would need to sit down with university representatives and work together to build new knowledge and skills. When both sides recognised that RDI cooperation takes time and that there are no shortcuts at the beginning of UIC, it became easier to discuss other resources, including funding. In these cases, time was the central issue: once time was allocated, spending money and other resources on UIC became less problematic. Aligning expectations about spending time together to learn supported future negotiations. After the exploration phase, commitment also strengthened as the next steps became clear and the company was guided through them. As the discussion deepened, mutual understanding grew, and trust grew, making it easier to ask questions that could not be asked in the first meeting.

3.3.2 Feedback from Unsuccessful Cases

A common reason for rejecting suggestions to explore RDI cooperation was a lack of time. In several cases, company representatives explained that current business operations already consumed all available attention, making it a poor moment to plan new or longer-term development activities. Even so, many of these representatives remained interested in discussing cooperation later.

Some companies were dissatisfied with the earlier RDI cooperation with a university. In these cases, more detailed follow-up questions were needed to understand the kind of cooperation offered, what the company had expected, and what had actually been promised. Based on these answers, university representatives may have overpromised.

Some entrepreneurs were not interested in exploring RDI cooperation because they felt they already had all the partners they needed. They explained that local universities were already serving their needs well. When no clear gap in the company's needs was recognised, there was little reason to explore UIC further.

Overall, the most common concern expressed by company representatives was that RDI cooperation with universities takes a great deal of time. In many cases, the company's needs were more short-term, and expectations therefore did not match at the start of the discussion. At the same time, many CEOs admitted that closer cooperation with universities may be the only way for companies to learn to plan for the longer term. In most rejected cases, the answer was not "No" but rather "Not now", suggesting that future cooperation may still be possible.

3.3.3 Identified Drivers and Barriers for UIC

Previous studies suggest that UIC challenges can be reduced through tools such as tax incentives and stepwise collaboration: beginning with small projects, building experience, and then increasing complexity (Rossoni et al. 2023). Their review also highlights the roles of relational social capital, trust, cultural alignment, and intermediary support. In practical terms, universities, industry, and government can strengthen UIC by providing clearer incentives, experienced boundary-spanners, goal alignment, and gradual project scaling. These observations are consistent with the present study.

The results of this study are aligned with previous findings on the topic. A condensed presentation of the key themes, findings, and lessons learned from the QTA is shown in Table 4.

Table 4: Condensed results of the QTA.

Theme	Key Finding(s)	Lessons Learned for UIC
Relational foundation	Trust, clear communication, and understandable language are the basic conditions for cooperation.	Without relational credibility, cooperation does not progress to concrete joint action.
Practical alignment	UIC works better when university offerings match company needs, timing, and decision-making realities.	The central barrier is misalignment between academic ways of operating and business expectations.

Theme	Key Finding(s)	Lessons Learned for UIC
Strategic co-creation	Sustained UIC requires shared responsibility, systematic practices, and a focus on mutual value creation.	UIC is most effective when treated as a long-term strategic process rather than a series of isolated encounters.

3.3.4 Summary of the Results

In summary, the findings point to a recurring mismatch between universities' operating rhythm and companies' expectations. Interviewees emphasised the need for more rapid action, clearer communication, stronger customer orientation, and more explicit discussion of mutual value creation. At the same time, they recognised that research-based results take time and that deeper UIC requires patience, shared goals, and continued dialogue.

4. Summary and Discussion

Company representatives expect university representatives to be better prepared for interaction. When companies' situations are understood, relevant solutions are considered, and cooperation options are clearly presented, expectations align more effectively. This short study suggests that this is still often not the case, leaving ample room for improvement. Company representatives also noted that firms should communicate their needs and conditions for cooperation more openly. In addition, the rules governing public RDI funding must be clearly communicated within UIC relationships to avoid misconceptions and false expectations. Both parties save time and effort when cooperation focuses on cases with clear potential to create value for both sides.

Building cooperation with companies is challenging and does not always lead to success. This is a normal part of the UIC exploration phase, yet it may cause university specialists to avoid actions in which failure is possible, even though such experiences support learning. As Chris Argyris (1991) noted, professionals who rarely fail may never learn how to learn from failure. Systematically reflecting on past experiences and using those insights to guide future action, individually or collectively, is essential to better align expectations for value creation at UIC.

Improving UIC and aligning expectations between universities and industry requires more entrepreneurial thinking: understanding what companies value, identifying their pain points, and considering how to address them. As Eric Ries (2017) suggests, this also calls for coaching that strengthens entrepreneurial thinking alongside experimentation, reflection, and learning. Such change may feel threatening to those focused on protecting existing assets and established ways of working, but it also creates opportunities for those able to act, motivate, and mobilise others (Hagel et al., 2012). A new culture begins to emerge when people see that new actions produce results. Better UIC outcomes are possible, but they require a willingness to do the necessary work.

Qualitative analysis does not seek a single correct answer; it offers the researcher's interpretation for readers to assess. Other researchers might interpret the data differently. However, these findings are consistent with earlier studies on the topic.

Ethics Declaration

This research did not require ethical approval. All participants gave informed consent prior to participating in interviews.

AI Declaration

Copilot was used to find and correct grammatical errors and to condense text in the final revision phase. Also, Grammarly was used to correct grammatical errors. No AI tools were used during data collection and data analysis, or during the writing process of the article.

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